

U.S. Income Tax Return for an S Corporation

Do not file this form unless the corporation has filed or
is attaching Form 2553 to elect to be an S corporation.Go to www.irs.gov/Form1120S for instructions and the latest information.

2023

For calendar year 2023 or tax year beginning , ending

| | | | |
|--|---------------------|--|--|
| A S election effective date 01/01/18 | TYPE OR PRINT | Name KALORAMA PHARMACY INC. | D Employer identification number 82-0697603 |
| B Business activity code number (see instructions) 446110 | | Number, street, and room or suite no. If a P.O. box, see instructions. 1841 COLUMBIA ROAD NW | E Date incorporated 01/11/2017 |
| C Check if Sch. M-3 attached <input type="checkbox"/> | | City or town, state or province, country, and ZIP or foreign postal code WASHINGTON DC 20009 | F Total assets (see instructions) \$ 559,053 |

- G Is the corporation electing to be an S corporation beginning with this tax year? See instructions. ☐ Yes ☒ No
- H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return (5) ☐ S election termination
- I Enter the number of shareholders who were shareholders during any part of the tax year **3**
- J Check if corporation: (1) ☐ Aggregated activities for section 465 at-risk purposes (2) ☐ Grouped activities for section 469 passive activity purposes

Caution: Include only trade or business income and expenses on lines 1a through 22. See the instructions for more information.

| | | | | | | | |
|---|---|------------------|-------------------------------|--|-------------------|-----|------------------|
| Income | 1a Gross receipts or sales | 6,198,041 | b Less Returns and allowances | | c Balance | 1c | 6,198,041 |
| | 2 Cost of goods sold (attach Form 1125-A) | | | | | 2 | 5,050,143 |
| | 3 Gross profit. Subtract line 2 from line 1c | | | | | 3 | 1,147,898 |
| | 4 Net gain (loss) from Form 4797, line 17 (attach Form 4797) | | | | | 4 | |
| | 5 Other income (loss) (see instructions—attach statement) | | | | SEE STMT 1 | 5 | 1,640 |
| | 6 Total income (loss). Add lines 3 through 5 | | | | | 6 | 1,149,538 |
| Deductions (see instructions for limitations) | 7 Compensation of officers (see instructions—attach Form 1125-E) | | | | | 7 | 164,489 |
| | 8 Salaries and wages (less employment credits) | | | | | 8 | 216,772 |
| | 9 Repairs and maintenance | | | | | 9 | 3,915 |
| | 10 Bad debts | | | | | 10 | |
| | 11 Rents | | | | | 11 | 79,503 |
| | 12 Taxes and licenses | | | | | 12 | 55,946 |
| | 13 Interest (see instructions) | | | | | 13 | 156 |
| | 14 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562) | | | | | 14 | 6,524 |
| | 15 Depletion (Do not deduct oil and gas depletion.) | | | | | 15 | |
| | 16 Advertising | | | | | 16 | 372 |
| | 17 Pension, profit-sharing, etc., plans | | | | | 17 | |
| | 18 Employee benefit programs | | | | | 18 | |
| | 19 Energy efficient commercial buildings deduction (attach Form 7205) | | | | | 19 | |
| | 20 Other deductions (attach statement) | | | | SEE STMT 2 | 20 | 274,408 |
| | 21 Total deductions. Add lines 7 through 20 | | | | | 21 | 802,085 |
| | 22 Ordinary business income (loss). Subtract line 21 from line 6 | | | | | 22 | 347,453 |
| Tax and Payments | 23a Excess net passive income or LIFO recapture tax (see instructions) | 23a | | | | 23c | |
| | b Tax from Schedule D (Form 1120-S) | 23b | | | | | |
| | c Add lines 23a and 23b (see instructions for additional taxes) | | | | | | |
| | 24a Current year's estimated tax payments & preceding year's overpayment credited to the current year | 24a | | | | 24z | |
| | b Tax deposited with Form 7004 | 24b | | | | | |
| | c Credit for federal tax paid on fuels (attach Form 4136) | 24c | | | | | |
| | d Elective payment election amount from Form 3800 | 24d | | | | | |
| | z Add lines 24a through 24d | | | | | | |
| | 25 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/> | | | | | 25 | |
| | 26 Amount owed. If line 24z is smaller than the total of lines 23c and 25, enter amount owed | | | | | 26 | |
| 27 Overpayment. If line 24z is larger than the total of lines 23c and 25, enter amount overpaid | | | | | 27 | | |
| 28 Enter amount from line 27: Credited to 2024 estimated tax Refunded | | | | | 28 | | |

Sign
HereUnder penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements,
and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer)
is based on all information of which preparer has any knowledge.May the IRS discuss this return with the preparer
shown below? See instructions. ☒ Yes ☐ No

CHAIRMAN

Signature of officer **WILLIAM FADEL**

Date

Title

Paid
Preparer
Use Only

Print/Type preparer's name

YOAV KATZ

Preparer's signature

YOAV KATZ

Date

07/17/24Check ☐ if

self-employed

PTIN

P01057947Firm's name **KATZ & CO., P.A.**Firm's EIN **52-1260827**Firm's address **4641 MONTGOMERY AVE STE 200
BETHESDA, MD 20814**Phone no. **301-951-8700**

Schedule B Other Information (see instructions)

| | | | | | |
|---|---|--|---|-----|----|
| 1 | Check accounting method: | a <input type="checkbox"/> Cash | b <input checked="" type="checkbox"/> Accrual | Yes | No |
| | | c <input type="checkbox"/> Other (specify) _____ | | | |
| 2 | See the instructions and enter the: | | | | |
| | a Business activity | b Product or service | | | |
| | RETAIL | PHARMACY | | | |
| 3 | At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation | | | | X |
| 4 | At the end of the tax year, did the corporation: | | | | |
| | a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below | | | | X |

| (i) Name of Corporation | (ii) Employer Identification Number (if any) | (iii) Country of Incorporation | (iv) Percentage of Stock Owned | (v) If Percentage in (iv) Is 100%, Enter the Date (if applicable) a Qualified Subchapter S Subsidiary Election Was Made |
|-------------------------|--|--------------------------------|--------------------------------|---|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| | | |
|---|-----|----|
| b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below | Yes | No |
| | | X |

| (i) Name of Entity | (ii) Employer Identification Number (if any) | (iii) Type of Entity | (iv) Country of Organization | (v) Maximum Percentage Owned in Profit, Loss, or Capital |
|--------------------|--|----------------------|------------------------------|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| | | | |
|----|---|--------------------------|----|
| 5a | At the end of the tax year, did the corporation have any outstanding shares of restricted stock? If "Yes," complete lines (i) and (ii) below. | Yes | No |
| | (i) Total shares of restricted stock | | |
| | (ii) Total shares of non-restricted stock | | |
| b | At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? If "Yes," complete lines (i) and (ii) below. | Yes | No |
| | (i) Total shares of stock outstanding at the end of the tax year | | |
| | (ii) Total shares of stock outstanding if all instruments were executed | | |
| 6 | Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction? | Yes | No |
| 7 | Check this box if the corporation issued publicly offered debt instruments with original issue discount. If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. | <input type="checkbox"/> | |
| 8 | If the corporation (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation, and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years. See instructions \$ | | |
| 9 | Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions | Yes | No |
| 10 | Does the corporation satisfy one or more of the following? See instructions | Yes | No |
| | a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense. | | |
| | b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$29 million and the corporation has business interest expense. | | |
| | c The corporation is a tax shelter and the corporation has business interest expense. If "Yes," complete and attach Form 8990, Limitation on Business Interest Expense Under Section 163(j). | | |
| 11 | Does the corporation satisfy both of the following conditions? | Yes | No |
| | a The corporation's total receipts (see instructions) for the tax year were less than \$250,000. | | |
| | b The corporation's total assets at the end of the tax year were less than \$250,000. If "Yes," the corporation is not required to complete Schedules L and M-1. | | |

Schedule B Other Information (see instructions) (continued)

| | Yes | No |
|--|----------|----------|
| 12 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? | | X |
| If "Yes," enter the amount of principal reduction | | \$ |
| 13 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions | | X |
| 14a Did the corporation make any payments in 2023 that would require it to file Form(s) 1099? | X | |
| b If "Yes," did or will the corporation file required Form(s) 1099? | X | |
| 15 Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund? | | X |
| If "Yes," enter the amount from Form 8996, line 15 | | \$ |
| 16 At any time during the tax year, did the corporation: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? See instructions | | X |

Schedule K Shareholders' Pro Rata Share Items

| | | Total amount |
|--|---|--------------------------|
| Income (Loss) | 1 Ordinary business income (loss) (page 1, line 22) | 1 347,453 |
| | 2 Net rental real estate income (loss) (attach Form 8825) | 2 |
| | 3a Other gross rental income (loss) | 3a |
| | b Expenses from other rental activities (attach statement) | 3b |
| | c Other net rental income (loss). Subtract line 3b from line 3a | 3c |
| | 4 Interest income | 4 |
| | 5 Dividends: a Ordinary dividends | 5a |
| | b Qualified dividends | 5b |
| | 6 Royalties | 6 |
| | 7 Net short-term capital gain (loss) (attach Schedule D (Form 1120-S)) | 7 |
| Deductions | 8a Net long-term capital gain (loss) (attach Schedule D (Form 1120-S)) | 8a |
| | b Collectibles (28%) gain (loss) | 8b |
| | c Unrecaptured section 1250 gain (attach statement) | 8c |
| | 9 Net section 1231 gain (loss) (attach Form 4797) | 9 |
| | 10 Other income (loss) (see instructions) | 10 |
| Credits | 11 Section 179 deduction (attach Form 4562) | 11 |
| | 12a Charitable contributions | 12a 30 |
| | b Investment interest expense | 12b |
| | c Section 59(e)(2) expenditures | 12c |
| | d Other deductions (see instructions) | 12d |
| Alternative Minimum Tax (AMT) Items | 13a Low-income housing credit (section 42(j)(5)) | 13a |
| | b Low-income housing credit (other) | 13b |
| | c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) | 13c |
| | d Other rental real estate credits (see instructions) | 13d |
| | e Other rental credits (see instructions) | 13e |
| | f Biofuel producer credit (attach Form 6478) | 13f |
| | g Other credits (see instructions) | 13g |
| Inter-national | 14 Attach Schedule K-2 (Form 1120-S), Shareholders' Pro Rata Share Items—International, and check this box to indicate you are reporting items of international tax relevance <input type="checkbox"/> | |
| Items Affecting Shareholder Basis | 15a Post-1986 depreciation adjustment | 15a -579 |
| | b Adjusted gain or loss | 15b |
| | c Depletion (other than oil and gas) | 15c |
| | d Oil, gas, and geothermal properties — gross income | 15d |
| | e Oil, gas, and geothermal properties — deductions | 15e |
| | f Other AMT items (attach statement) | 15f |
| Items Affecting Shareholder Basis | 16a Tax-exempt interest income | 16a |
| | b Other tax-exempt income | 16b |
| | c Nondeductible expenses | 16c 101 |
| | d Distributions (attach statement if required) (see instructions) | 16d 50,000 |
| | e Repayment of loans from shareholders | 16e |
| | f Foreign taxes paid or accrued | 16f |

Schedule K Shareholders' Pro Rata Share Items (continued)

| Other Information | Total amount | |
|-------------------|------------------------|----------------|
| | 17a | |
| | 17b | |
| | 17c | |
| | SEE STATEMENT 4 | |
| Reconciliation | 18 | 347,423 |

Schedule L Balance Sheets per Books

| | | Beginning of tax year | | End of tax year | |
|--------------------------------------|--|-----------------------|---------|-----------------|---------|
| Assets | | (a) | (b) | (c) | (d) |
| 1 | Cash | | 52,304 | | 125,756 |
| 2a | Trade notes and accounts receivable | 216,222 | | 235,224 | |
| b | Less allowance for bad debts | () | 216,222 | () | 235,224 |
| 3 | Inventories | | 133,205 | | 50,120 |
| 4 | U.S. government obligations | | | | |
| 5 | Tax-exempt securities (see instructions) | | | | |
| 6 | Other current assets (attach statement) STMT 5 | | 49,921 | | 38,448 |
| 7 | Loans to shareholders | | | | |
| 8 | Mortgage and real estate loans | | | | |
| 9 | Other investments (attach statement) | | | | |
| 10a | Buildings and other depreciable assets | 173,232 | | 173,232 | |
| b | Less accumulated depreciation | (98,531 | 74,701 | (105,055 | 68,177 |
| 11a | Depletable assets | | | | |
| b | Less accumulated depletion | () | | () | |
| 12 | Land (net of any amortization) | | | | |
| 13a | Intangible assets (amortizable only) | 38,031 | | 38,031 | |
| b | Less accumulated amortization | (15,642 | 22,389 | (17,958 | 20,073 |
| 14 | Other assets (attach statement) STMT 6 | | 21,255 | | 21,255 |
| 15 | Total assets | | 569,997 | | 559,053 |
| Liabilities and Shareholders' Equity | | | | | |
| 16 | Accounts payable | | 472,494 | | 211,636 |
| 17 | Mortgages, notes, bonds payable in less than 1 year | | | | |
| 18 | Other current liabilities (attach statement) STMT 7 | | 10,206 | | 13,690 |
| 19 | Loans from shareholders | | 81,165 | | 81,165 |
| 20 | Mortgages, notes, bonds payable in 1 year or more | | 50,892 | | |
| 21 | Other liabilities (attach statement) | | | | |
| 22 | Capital stock | | | | |
| 23 | Additional paid-in capital | | | | |
| 24 | Retained earnings | | -44,760 | | 252,562 |
| 25 | Adjustments to shareholders' equity (attach statement) | | | | |
| 26 | Less cost of treasury stock | () | | () | |
| 27 | Total liabilities and shareholders' equity | | 569,997 | | 559,053 |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3. See instructions.

| | | | |
|--|----------------|---|----------------|
| 1 Net income (loss) per books | 347,322 | 5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize): | |
| 2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize): | | a Tax-exempt interest \$ | |
| 3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 16f (itemize): | | 6 Deductions included on Schedule K, lines 1 through 12, and 16f, not charged against book income this year (itemize): | |
| a Depreciation \$ | | a Depreciation \$ | |
| b Travel and entertainment \$ 101 | | 7 Add lines 5 and 6 | |
| | 101 | 8 Income (loss) (Schedule K, line 18). Subtract line 7 from line 4 | 347,423 |
| 4 Add lines 1 through 3 | 347,423 | | |

Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account
(see instructions)

| | (a) Accumulated adjustments account | (b) Shareholders' undistributed taxable income previously taxed | (c) Accumulated earnings and profits | (d) Other adjustments account |
|--|-------------------------------------|---|--------------------------------------|-------------------------------|
| 1 Balance at beginning of tax year | -40,964 | | -3,796 | |
| 2 Ordinary income from page 1, line 22 | 347,453 | | | |
| 3 Other additions | | | | |
| 4 Loss from page 1, line 22 | () | | | |
| 5 Other reductions STMT 8 | (131) | | | () |
| 6 Combine lines 1 through 5 | 306,358 | | -3,796 | |
| 7 Distributions | 50,000 | | | |
| 8 Balance at end of tax year. Subtract line 7 from line 6 | 256,358 | | -3,796 | |

Form **1120-S** (2023)

Cost of Goods Sold

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.
▶ Go to www.irs.gov/Form1125A for the latest information.

OMB No. 1545-0123

Name

KALORAMA PHARMACY INC.

Employer identification number

82-0697603

| | | | |
|----------|---|----------|------------------|
| 1 | Inventory at beginning of year | 1 | 133,205 |
| 2 | Purchases | 2 | 4,967,058 |
| 3 | Cost of labor | 3 | |
| 4 | Additional section 263A costs (attach schedule) | 4 | |
| 5 | Other costs (attach schedule) | 5 | |
| 6 | Total. Add lines 1 through 5 | 6 | 5,100,263 |
| 7 | Inventory at end of year | 7 | 50,120 |
| 8 | Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions | 8 | 5,050,143 |

9a Check all methods used for valuing closing inventory:

(i) ☒ Cost

(ii) ☐ Lower of cost or market

(iii) ☐ Other (Specify method used and attach explanation.) ▶

b Check if there was a writedown of subnormal goods ▶ ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO **9d** ☐

e If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☒ No

For Paperwork Reduction Act Notice, see instructions.

Form **1125-A** (Rev. 11-2018)

Compensation of Officers

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-REIT, 1120-RIC, or 1120S.

OMB No. 1545-0123

▶ Information about Form 1125-E and its separate instructions is at www.irs.gov/form1125e.

Name _____

KALORAMA PHARMACY INC.

Employer identification number

82-0697603

Note: Complete Form 1125-E only if total receipts are \$500,000 or more. See instructions for definition of total receipts.

[illegible]

| | | | |
|---|---|---|---------|
| 2 | Total compensation of officers | 2 | 164,489 |
| 3 | Compensation of officers claimed on Form 1125-A or elsewhere on return | 3 | |
| 4 | Subtract line 3 from line 2. Enter the result here and on Form 1120, page 1, line 12 or the appropriate line of your tax return | 4 | 164,489 |

For Paperwork Reduction Act Notice, see separate instructions.

Form 1125-E (Rev. 10-2016)

Schedule K-1
(Form 1120-S)

Department of the Treasury
Internal Revenue Service

2023

For calendar year 2023, or tax year

beginning

ending

Shareholder's Share of Income, Deductions,
Credits, etc.

See separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
82-0697603

B Corporation's name, address, city, state, and ZIP code
KALORAMA PHARMACY INC.
1841 COLUMBIA ROAD NW
WASHINGTON DC 20009

C IRS Center where corporation filed return
E-FILE

D Corporation's total number of shares
Beginning of tax year 100
End of tax year 100

Part II Information About the Shareholder

E Shareholder's identifying number
029-58-9097

F Shareholder's name, address, city, state, and ZIP code
WILLIAM FADEL
13901 ROCK BROOK CT.
CLIFTON VA 20124

G Current year allocation percentage 54.500000 %

H Shareholder's number of shares
Beginning of tax year 55
End of tax year 55

I Loans from shareholder
Beginning of tax year \$ 39,622
End of tax year \$ 39,622

For IRS Use Only

Final K-1

Amended K-1

671121
OMB No. 1545-0123

Part III Shareholder's Share of Current Year Income,
Deductions, Credits, and Other Items

| | | | |
|----|---|-----|-------------------------------------|
| 1 | Ordinary business income (loss) | 13 | Credits |
| | 189,362 | | |
| 2 | Net rental real estate income (loss) | | |
| 3 | Other net rental income (loss) | | |
| 4 | Interest income | | |
| 5a | Ordinary dividends | | |
| 5b | Qualified dividends | 14 | Schedule K-3 is attached if checked |
| 6 | Royalties | 15 | Alternative minimum tax (AMT) items |
| 7 | Net short-term capital gain (loss) | A | -316 |
| 8a | Net long-term capital gain (loss) | | |
| 8b | Collectibles (28%) gain (loss) | | |
| 8c | Unrecaptured section 1250 gain | | |
| 9 | Net section 1231 gain (loss) | 16 | Items affecting shareholder basis |
| | | C* | 55 |
| 10 | Other income (loss) | D | 27,250 |
| | | | |
| | | | |
| | | | |
| | | 17 | Other information |
| | | V* | STMT |
| 11 | Section 179 deduction | AC* | STMT |
| 12 | Other deductions | ZZ* | STMT |
| A | 16 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| 18 | More than one activity for at-risk purposes* | | |
| 19 | More than one activity for passive activity purposes* | | |

* See attached statement for additional information.

Federal Statements**WILLIAM FADEL****029-58-9097****Schedule K-1, Box 16, Code C - Nondeductible Expenses**

| <u>Description</u> | <u>Shareholder Amount</u> |
|--------------------|-------------------------------|
| PAGE 1 MEALS | \$ 55 |
| TOTAL | \$ 55 |

Schedule K-1, Box 17, Code AC - Gross Receipts for Section 448(c)

| <u>Description</u> | <u>Shareholder Amount</u> |
|------------------------------|-------------------------------|
| 8990 GROSS RECEIPTS FOR 2022 | 3,099,307 |
| 8990 GROSS RECEIPTS FOR 2021 | 2,803,290 |
| 8990 GROSS RECEIPTS FOR 2020 | 2,336,661 |

Schedule K-1, Box 17, Code ZZ - Other Information

| <u>Description</u> | <u>Shareholder Amount</u> |
|--|-------------------------------|
| DC SOURCE INCOME - 100% | |
| D.C. FRANCHISE TAX PAID | 8,097 |
| D.C. FRANCHISE TAX DEDUCTED FROM FEDERAL | 8,097 |
| STATE DEPRECIATION ADJUSTMENT | -2,072 |

SHAREHOLDER'S BASIS WORKSHEET:
 THIS WORKSHEET WAS PREPARED BASED ON CORPORATION
 RECORDS. PLEASE CONSULT WITH YOUR TAX ADVISOR FOR
 ADJUSTMENTS.

Form **1120-S**
Schedule K-1

Schedule K-1, Box 17, Code V
Shareholder's Section 199A Information

2023

For calendar year 2023 or tax year beginning , ending

Name
KALORAMA PHARMACY INC.
WILLIAM FADEL

Taxpayer Identification Number
82-0697603
029-58-9097

| | Activity Description | Pass-Through Entity EIN | PTP | Aggregated | SSTB |
|----------|------------------------|----------------------------|-----|------------|------|
| Column A | PAGE 1 ACTIVITY | | | | |
| Column B | | | | | |
| Column C | | | | | |
| Column D | | | | | |
| Column E | | | | | |

| QBI or Qualified PTP items: | Column A | Column B | Column C | Column D | Column E |
|--------------------------------------|----------------|----------|----------|----------|----------|
| Ordinary business income (loss) | 189,362 | | | | |
| Net rental real estate income (loss) | | | | | |
| Other net rental income (loss) | | | | | |
| Royalty income (loss) | | | | | |
| Section 1231 gain (loss) | | | | | |
| Other income (loss) | | | | | |
| Section 179 deduction | | | | | |
| Other deductions | | | | | |
| W-2 wages | 207,787 | | | | |
| Qualified property | 94,411 | | | | |

Other information:

QBI allocable to cooperative prmts received
W-2 wages allocable to qualified payments
Section 199A(g) deduction

Section 199A REIT dividends

Schedule K-1
(Form 1120-S)

Department of the Treasury
Internal Revenue Service

2023

For calendar year 2023, or tax year

☐ Final K-1

☐ Amended K-1

671121
OMB No. 1545-0123

beginning

ending

Shareholder's Share of Income, Deductions,
Credits, etc.

See separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
82-0697603

B Corporation's name, address, city, state, and ZIP code
KALORAMA PHARMACY INC.
1841 COLUMBIA ROAD NW
WASHINGTON DC 20009

C IRS Center where corporation filed return
E-FILE

D Corporation's total number of shares
Beginning of tax year 100
End of tax year 100

Part II Information About the Shareholder

E Shareholder's identifying number
143-81-4486

F Shareholder's name, address, city, state, and ZIP code
MANJULA CHITKULA
8104 WINDING ROSS WAY
ELLICOTT CITY MD 21043

G Current year allocation percentage 44.500000 %

H Shareholder's number of shares
Beginning of tax year 45
End of tax year 45

I Loans from shareholder
Beginning of tax year \$ 41,543
End of tax year \$ 41,543

For IRS Use Only

Part III Shareholder's Share of Current Year Income,
Deductions, Credits, and Other Items

| | | | |
|----|---|-----|--|
| 1 | Ordinary business income (loss) | 13 | Credits |
| | 154,616 | | |
| 2 | Net rental real estate income (loss) | | |
| 3 | Other net rental income (loss) | | |
| 4 | Interest income | | |
| 5a | Ordinary dividends | | |
| 5b | Qualified dividends | 14 | Schedule K-3 is attached if checked <input type="checkbox"/> |
| 6 | Royalties | 15 | Alternative minimum tax (AMT) items |
| 7 | Net short-term capital gain (loss) | A | -257 |
| 8a | Net long-term capital gain (loss) | | |
| 8b | Collectibles (28%) gain (loss) | | |
| 8c | Unrecaptured section 1250 gain | | |
| 9 | Net section 1231 gain (loss) | 16 | Items affecting shareholder basis |
| | | C* | 45 |
| 10 | Other income (loss) | D | 22,250 |
| | | | |
| | | | |
| | | | |
| | | 17 | Other information |
| | | V* | STMT |
| 11 | Section 179 deduction | AC* | STMT |
| 12 | Other deductions | ZZ* | STMT |
| A | 14 | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| 18 | More than one activity for at-risk purposes* | | |
| 19 | More than one activity for passive activity purposes* | | |

* See attached statement for additional information.

Federal Statements
MANJULA CHITKULA
143-81-4486

Schedule K-1, Box 16, Code C - Nondeductible Expenses

| Description | Shareholder Amount |
|--------------|-----------------------|
| PAGE 1 MEALS | \$ 45 |
| TOTAL | \$ 45 |

Schedule K-1, Box 17, Code AC - Gross Receipts for Section 448(c)

| Description | Shareholder Amount |
|------------------------------|-----------------------|
| 8990 GROSS RECEIPTS FOR 2022 | 2,530,626 |
| 8990 GROSS RECEIPTS FOR 2021 | 2,288,924 |
| 8990 GROSS RECEIPTS FOR 2020 | 1,907,915 |

Schedule K-1, Box 17, Code ZZ - Other Information

| Description | Shareholder Amount |
|--|-----------------------|
| DC SOURCE INCOME - 100% | |
| D.C. FRANCHISE TAX PAID | 6,610 |
| D.C. FRANCHISE TAX DEDUCTED FROM FEDERAL | 6,610 |
| STATE DEPRECIATION ADJUSTMENT | -1,692 |

SHAREHOLDER'S BASIS WORKSHEET:
THIS WORKSHEET WAS PREPARED BASED ON CORPORATION
RECORDS. PLEASE CONSULT WITH YOUR TAX ADVISOR FOR
ADJUSTMENTS.

Form **1120-S**
Schedule K-1

Schedule K-1, Box 17, Code V
Shareholder's Section 199A Information

2023

For calendar year 2023 or tax year beginning , ending

Name
KALORAMA PHARMACY INC.
MANJULA CHITKULA

Taxpayer Identification Number
82-0697603
143-81-4486

| | Activity Description | Pass-Through Entity EIN | PTP | Aggregated | SSTB |
|----------|------------------------|----------------------------|-----|------------|------|
| Column A | PAGE 1 ACTIVITY | | | | |
| Column B | | | | | |
| Column C | | | | | |
| Column D | | | | | |
| Column E | | | | | |

| QBI or Qualified PTP items: | Column A | Column B | Column C | Column D | Column E |
|--------------------------------------|----------------|----------|----------|----------|----------|
| Ordinary business income (loss) | 154,616 | | | | |
| Net rental real estate income (loss) | | | | | |
| Other net rental income (loss) | | | | | |
| Royalty income (loss) | | | | | |
| Section 1231 gain (loss) | | | | | |
| Other income (loss) | | | | | |
| Section 179 deduction | | | | | |
| Other deductions | | | | | |
| W-2 wages | 169,661 | | | | |
| Qualified property | 77,089 | | | | |

Other Information:

QBI allocable to cooperative pmts received
W-2 wages allocable to qualified payments
Section 199A(g) deduction

Section 199A REIT dividends

Schedule K-1
(Form 1120-S)Department of the Treasury
Internal Revenue Service

2023

For calendar year 2023, or tax year

Final K-1

Amended K-1

OMB No. 1545-0123

beginning

ending

Shareholder's Share of Income, Deductions,
Credits, etc.

See separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number

82-0697603

B Corporation's name, address, city, state, and ZIP code

KALORAMA PHARMACY INC.

1841 COLUMBIA ROAD NW

WASHINGTON DC 20009

C IRS Center where corporation filed return

E-FILE

D Corporation's total number of shares

Beginning of tax year 100

End of tax year 100

Part II Information About the Shareholder

E Shareholder's identifying number

217-02-5053

F Shareholder's name, address, city, state, and ZIP code

MICHAEL J KIM

11831 LINDEN CHAPEL ROAD

CLARKSVILLE

MD 21029

G Current year allocation percentage 1.000000 %

H Shareholder's number of shares

Beginning of tax year 1

End of tax year 1

I Loans from shareholder

Beginning of tax year \$ 0

End of tax year \$ 0

For IRS Use Only

Part III Shareholder's Share of Current Year Income,
Deductions, Credits, and Other Items

| | | | |
|----|---|-----|--|
| 1 | Ordinary business income (loss) | 13 | Credits |
| | 3,475 | | |
| 2 | Net rental real estate income (loss) | | |
| 3 | Other net rental income (loss) | | |
| 4 | Interest income | | |
| 5a | Ordinary dividends | | |
| 5b | Qualified dividends | 14 | Schedule K-3 is attached if checked <input type="checkbox"/> |
| 6 | Royalties | 15 | Alternative minimum tax (AMT) items |
| | | A | -6 |
| 7 | Net short-term capital gain (loss) | | |
| 8a | Net long-term capital gain (loss) | | |
| 8b | Collectibles (28%) gain (loss) | | |
| 8c | Unrecaptured section 1250 gain | | |
| 9 | Net section 1231 gain (loss) | 16 | Items affecting shareholder basis |
| | | C* | 1 |
| 10 | Other income (loss) | D | 500 |
| | | | |
| | | | |
| | | | |
| | | 17 | Other information |
| | | V* | STMT |
| 11 | Section 179 deduction | AC* | STMT |
| 12 | Other deductions | ZZ* | STMT |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| 18 | More than one activity for at-risk purposes* | | |
| 19 | More than one activity for passive activity purposes* | | |

* See attached statement for additional information.

Federal Statements**MICHAEL J KIM****217-02-5053****Schedule K-1, Box 16, Code C - Nondeductible Expenses**

| <u>Description</u> | <u>Shareholder Amount</u> |
|--------------------|-------------------------------|
| PAGE 1 MEALS | \$ 1 |
| TOTAL | \$ 1 |

Schedule K-1, Box 17, Code AC - Gross Receipts for Section 448(c)

| <u>Description</u> | <u>Shareholder Amount</u> |
|------------------------------|-------------------------------|
| 8990 GROSS RECEIPTS FOR 2022 | 56,868 |
| 8990 GROSS RECEIPTS FOR 2021 | 51,437 |
| 8990 GROSS RECEIPTS FOR 2020 | 42,875 |

Schedule K-1, Box 17, Code ZZ - Other Information

| <u>Description</u> | <u>Shareholder Amount</u> |
|--|-------------------------------|
| DC SOURCE INCOME - 100% | |
| D.C. FRANCHISE TAX PAID | 149 |
| D.C. FRANCHISE TAX DEDUCTED FROM FEDERAL | 149 |
| STATE DEPRECIATION ADJUSTMENT | -38 |

SHAREHOLDER'S BASIS WORKSHEET:

THIS WORKSHEET WAS PREPARED BASED ON CORPORATION
RECORDS. PLEASE CONSULT WITH YOUR TAX ADVISOR FOR
ADJUSTMENTS.

Form **1120-S**
Schedule K-1

Schedule K-1, Box 17, Code V
Shareholder's Section 199A Information

2023

For calendar year 2023 or tax year beginning , ending

Name
KALORAMA PHARMACY INC.
MICHAEL J KIM

Taxpayer Identification Number
82-0697603
217-02-5053

| | Activity Description | Pass-Through Entity EIN | PTP | Aggregated | SSTB |
|----------|------------------------|----------------------------|-----|------------|------|
| Column A | PAGE 1 ACTIVITY | | | | |
| Column B | | | | | |
| Column C | | | | | |
| Column D | | | | | |
| Column E | | | | | |

| QBI or Qualified PTP items: | Column A | Column B | Column C | Column D | Column E |
|--------------------------------------|--------------|----------|----------|----------|----------|
| Ordinary business income (loss) | 3,475 | | | | |
| Net rental real estate income (loss) | | | | | |
| Other net rental income (loss) | | | | | |
| Royalty income (loss) | | | | | |
| Section 1231 gain (loss) | | | | | |
| Other income (loss) | | | | | |
| Section 179 deduction | | | | | |
| Other deductions | | | | | |
| W-2 wages | 3,813 | | | | |
| Qualified property | 1,732 | | | | |

Other Information:

QBI allocable to cooperative prmts received
W-2 wages allocable to qualified payments
Section 199A(g) deduction

Section 199A REIT dividends

Statement 1 - Form 1120-S, Page 1, Line 5 - Other Income (Loss)

| Description | Amount |
|-----------------------|----------|
| AMAZON POINTS CREDITS | \$ 1,640 |
| TOTAL | \$ 1,640 |

Statement 2 - Form 1120-S, Page 1, Line 20 - Other Deductions

| Description | Amount |
|-------------------------------|------------|
| AUTOMOBILE EXPENSE | \$ 3,072 |
| BANK CHARGES | 276 |
| COMPUTER & SOFTWARE EXPENSES | 25,792 |
| DELIVERY | 12,608 |
| DUES AND SUBSCRIPTIONS | 7,800 |
| INSURANCE | 8,391 |
| OFFICE EXPENSE | 264 |
| POSTAGE | 177 |
| SECURITY | 2,477 |
| SUPPLIES | 17,422 |
| UTILITIES | 4,661 |
| MERCHANT FEES | 14,892 |
| TELEPHONE & INTERNET | 6,354 |
| PAYROLL SERVICE FEES | 1,806 |
| TRAVEL/PARKING & TOLLS | 4,108 |
| ACCOUNTING & PROF FEES | 6,795 |
| WASTE MANAGEMENT | 399 |
| DIRECT/INDIRECT RENUMER. FEES | 148,857 |
| CLEANING | 5,840 |
| AMORTIZATION | 2,316 |
| 50% OF MEALS | 101 |
| TOTAL | \$ 274,408 |

Statement 3 - Form 1120-S, Page 3, Schedule K, Line 12a - Cash Contributions

| Description | Cash Contrib 60% | Cash Contrib 30% | Total |
|---------------|---------------------|---------------------|-------|
| CASH DONATION | \$ 30 | \$ | \$ 30 |
| TOTAL | \$ 30 | \$ 0 | \$ 30 |

Statement 4 - Form 1120-S, Page 4, Schedule K, Line 17d - Other Items and Amounts

| Description | Amount |
|---|--------|
| SECTION 199A INFORMATION - SEE ATTACHED WRK | \$ |
| DC SOURCE INCOME - 100% | |

Federal Statements

Statement 5 - Form 1120-S, Page 4, Schedule L, Line 6 - Other Current Assets

| Description | Beginning of Year | End of Year |
|--------------------|----------------------|----------------|
| PREPAID STATE TAX | \$ 30,000 | \$ 15,144 ✓ |
| REBATES RECEIVABLE | 10,930 | 21,488 ✓ |
| PREPAID EXPENSE | 8,991 | |
| EMPLOYEE ADVANCE | | 1,816 ✓ |
| TOTAL | \$ 49,921 | \$ 38,448 |

Statement 6 - Form 1120-S, Page 4, Schedule L, Line 14 - Other Assets

| Description | Beginning of Year | End of Year |
|------------------|----------------------|----------------|
| SECURITY DEPOSIT | \$ 21,255 | \$ 21,255 ✓ |
| TOTAL | \$ 21,255 | \$ 21,255 |

Statement 7 - Form 1120-S, Page 4, Schedule L, Line 18 - Other Current Liabilities

| Description | Beginning of Year | End of Year |
|-------------------|----------------------|----------------|
| ACCRUED PAYROLL | \$ 9,851 | \$ 13,248 ✓ |
| SALES TAX PAYABLE | 355 | 442 ✓ |
| TOTAL | \$ 10,206 | \$ 13,690 |

Statement 8 - Form 1120-S, Page 5, Schedule M-2, Line 5(a) - Other Reductions

| Description | Amount |
|--------------------------|----------|
| TRAVEL & ENTERTAINMENT | \$ 101 ✓ |
| CHARITABLE CONTRIBUTIONS | 30 ✓ |
| TOTAL | \$ 131 |

Section 199A Information Worksheet

Form **1120-S**

2023

For calendar year 2023 or tax year beginning , ending

Name **KALORAMA PHARMACY INC.** Employer Identification Number **82-0697603**

| | Activity Description | Pass-Through Entity EIN | PTP | Aggregated | SSTB |
|----------|------------------------|----------------------------|-----|------------|------|
| Column A | PAGE 1 ACTIVITY | | | | |
| Column B | | | | | |
| Column C | | | | | |
| Column D | | | | | |
| Column E | | | | | |

QBI or Qualified PTP items:

| | Column A | Column B | Column C | Column D | Column E |
|--------------------------------------|----------------|----------|----------|----------|----------|
| Ordinary business income (loss) | 347,453 | | | | |
| Net rental real estate income (loss) | | | | | |
| Other net rental income (loss) | | | | | |
| Royalty income (loss) | | | | | |
| Section 1231 gain (loss) | | | | | |
| Other income (loss) | | | | | |
| Section 179 deduction | | | | | |
| Other deductions | | | | | |
| W-2 wages | 381,261 | | | | |
| Qualified property | 173,232 | | | | |

Other Information:

QBI allocable to cooperative pmts received
W-2 wages allocable to qualified payments
Section 199A(g) deduction

Section 199A REIT dividends

Federal Asset Report

Form 1120-S, Page 1

| Asset | Description | Date In Service | Cost | Bus % | Sec 179 | Bonus | Basis for Depr | PerConv Meth | Prior | Current |
|---|----------------------------|--------------------|----------------|----------|------------|-------|-------------------|--------------|----------------|--------------|
| Prior MACRS: | | | | | | | | | | |
| 1 | LAPTOP | 1/15/17 | 800 | | | X | 400 | 5 HY 200DB | 800 | 0 |
| 2 | FIXTURES | 9/05/17 | 5,940 | | | X | 2,970 | 7 HY 200DB | 5,145 | 530 |
| 3 | FREEZER | 9/05/17 | 5,515 | | | X | 2,757 | 7 HY 200DB | 4,777 | 492 |
| 4 | COMPUTER (DELL) | 9/05/17 | 6,678 | | | X | 3,339 | 5 HY 200DB | 6,678 | 0 |
| 5 | RX SCALE | 9/05/17 | 1,031 | | | X | 515 | 7 HY 200DB | 893 | 92 |
| 6 | FLOOR MAT | 9/05/17 | 1,341 | | | X | 670 | 7 HY 200DB | 1,161 | 120 |
| 7 | POS HARDWARE & SOFTWARE | 9/05/17 | 14,584 | | | X | 7,292 | 5 HY 200DB | 14,584 | 0 |
| 8 | RX FRIDGE | 9/05/17 | 4,230 | | | X | 2,115 | 7 HY 200DB | 3,664 | 377 |
| 9 | SECURITY SYSTEM | 9/05/17 | 1,183 | | | X | 591 | 7 HY 200DB | 1,025 | 105 |
| 10 | SIGNS (ELECTRICAL) | 9/05/17 | 13,347 | | | X | 6,673 | 5 HY 200DB | 13,347 | 0 |
| 11 | LEASEHOLD IMPROVEMENT | 9/05/17 | 105,610 | | | X | 72,126 | 15 HY S/L | 33,484 | 4,808 |
| 14 | HVAC UNIT | 4/18/19 | 7,329 | | X | | 0 | 39 MMS/L | 7,329 | 0 |
| 15 | PILL COUNTING MACHINE | 12/19/22 | 5,644 | | | X | 0 | 7 HY 200DB | 5,644 | 0 |
| | | | <u>173,232</u> | | | | <u>99,448</u> | | <u>98,531</u> | <u>6,524</u> |
| Amortization: | | | | | | | | | | |
| 12 | ORGANIZATION/STARTUP COSTS | 9/05/17 | 34,741 | | | | 34,741 | 15 MOAmort | 12,352 | 2,316 |
| 13 | LOAN FEES | 9/27/17 | 3,290 | | | | 3,290 | 3 MOAmort | 3,290 | 0 |
| | | | <u>38,031</u> | | | | <u>38,031</u> | | <u>15,642</u> | <u>2,316</u> |
| Grand Totals | | | 211,263 | | | | 137,479 | | 114,173 | 8,840 |
| Less: Dispositions and Transfers | | | 0 | | | | 0 | | 0 | 0 |
| Less: Start-up/Org Expense | | | 0 | | | | 0 | | 0 | 0 |
| Net Grand Totals | | | <u>211,263</u> | | | | <u>137,479</u> | | <u>114,173</u> | <u>8,840</u> |

AMT Asset Report

Form 1120-S, Page 1

| Asset | Description | Date In Service | Cost | Bus % | Sec 179 | Bonus | Basis for Depr | PerConv Meth | Prior | Current |
|---|-------------------------|--------------------|----------------|----------|------------|-------|-------------------|--------------|---------------|--------------|
| Prior MACRS: | | | | | | | | | | |
| 1 | LAPTOP | 1/15/17 | 800 | | | X | 400 | 5 HY 200DB | 800 | 0 |
| 2 | FIXTURES | 9/05/17 | 5,940 | | | X | 2,970 | 7 HY 200DB | 4,959 | 654 |
| 3 | FREEZER | 9/05/17 | 5,515 | | | X | 2,757 | 7 HY 200DB | 4,605 | 607 |
| 4 | COMPUTER (DELL) | 9/05/17 | 6,678 | | | X | 3,339 | 5 HY 200DB | 6,678 | 0 |
| 5 | RX SCALE | 9/05/17 | 1,031 | | | X | 515 | 7 HY 200DB | 861 | 113 |
| 6 | FLOOR MAT | 9/05/17 | 1,341 | | | X | 670 | 7 HY 200DB | 1,120 | 147 |
| 7 | POS HARDWARE & SOFTWARE | 9/05/17 | 14,584 | | | X | 7,292 | 5 HY 200DB | 14,584 | 0 |
| 8 | RX FRIDGE | 9/05/17 | 4,230 | | | X | 2,115 | 7 HY 200DB | 3,532 | 465 |
| 9 | SECURITY SYSTEM | 9/05/17 | 1,183 | | | X | 591 | 7 HY 200DB | 988 | 130 |
| 10 | SIGNS (ELECTRICAL) | 9/05/17 | 13,347 | | | X | 6,673 | 5 HY 200DB | 13,347 | 0 |
| 11 | LEASEHOLD IMPROVEMENT | 9/05/17 | 105,610 | | | X | 74,798 | 15 HY S/L | 30,812 | 4,987 |
| 14 | HVAC UNIT | 4/18/19 | 7,329 | | X | | 0 | 39 MMS/L | 7,329 | 0 |
| 15 | PILL COUNTING MACHINE | 12/19/22 | 5,644 | | | X | 0 | 7 HY 200DB | 5,644 | 0 |
| | | | <u>173,232</u> | | | | <u>102,120</u> | | <u>95,259</u> | <u>7,103</u> |
| Grand Totals | | | 173,232 | | | | 102,120 | | 95,259 | 7,103 |
| Less: Dispositions and Transfers | | | <u>0</u> | | | | <u>0</u> | | <u>0</u> | <u>0</u> |
| Net Grand Totals | | | <u>173,232</u> | | | | <u>102,120</u> | | <u>95,259</u> | <u>7,103</u> |